

LABOUR MONTHLY

A Magazine of International Labour

Editor : R. Palme Dutt

A Policy for Labour

HARRY POLLITT

The T.U.C., 1952

JIM GARDNER

Germany, Peace or War?

HENRY PURCELL

September, 1952

One shilling and sixpence

THE YOUNG CONSCRIPT

THAT first September week-end, 12 years ago, there were only 3,172 casualties among Londoners, a little over a quarter being killed outright. Only 450 'sorties were flown' those two starlight nights by Goering's Luftwaffe—and they did not have Yankee napalm to drop on us. On that golden September Sunday morning, the seven-year-old I found wandering among the rubble and broken glass could not tell me which of the bombed streets he had been living in, as he clutched my hand. Today, he must be a young conscript; he may be in Korea, Malaya or Egypt; he may be in Germany, wondering how soon he will be serving alongside a reconstructed Nazi army. But wherever he is, I do not think he will have forgotten that morning in 1940. Nor will his parents and neighbours who survived the Battle of Britain and the later air raids. Memories like these, common to the peoples of all Europe, cannot be uprooted by war propaganda; but they can be quickened by it. In air raid shelters, in first-aid posts, in rescue squads and fire-fighting units the British people learned a lot that their rulers would have them forget. But learning calls for action; then the common task was to put out a shower of incendiaries, now it is to organise the street to fight for peace. What will happen to that young conscript depends upon how quickly Peace Defence can be organised to put out the incendiaries of war for good. In the words of an American reader who writes from a country 'where the Terror is growing and growing and reaching into ever wider circles', the question is: '*Will people in Britain wake up in time to save themselves?*' Well, I know you in *Labour Monthly* are sounding the alarm with might and main.' That is the voice of only one of our many American readers who have suffered their share of victimisation as fighters for peace in their country. Another, a distinguished educationist, awaiting trial on a witch-hunt frame-up, takes time to write that during the 15 years he has read *L.M.* it 'has kept its excellent standards unbroken. Every month it gives an unsurpassed analysis of events and a number of other articles, almost always of high standard. Methinks old Marx would have enjoyed reading it.'

BATTLE FOR BRITAIN

I doubt whether the Yank press gives them a true picture of how people in the labour movement in Britain are stirred, and stirring, especially about the rearming of Nazis and the Bonn Agreement. Readers overseas may be astonished by the articles in this number describing the resolutions put down for the Trades Union Congress and for the annual conference of the Labour Party. Reading them you see, not the much-publicised Attlees, Morrisons, Deakins and the rest, but the face of 'the people of England who have not spoken yet': their horror at the rearming of the Nazis against the will of the German people; their desire for peace and friendship towards the colonial peoples; their anxiety for unrestricted peaceful trade, not distorted for war purposes. Above all, to be seen there is the expression of an independent outlook—independent of Yankee policy

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A POLICY FOR LABOUR

HARRY POLLITT

IT is common ground that the September Trades Union Congress and October Labour Party Conference will be the most important and significant since the end of the war. They are the first of these conferences to take place since the defeat of the Labour Government after having held power from 1945-1951, and one has the impression in considering trends, tendencies and discussions now manifesting themselves in the Labour Party, Trade Unions and Co-operative organisations that the lid has been taken off, in the sense of the rank and file letting itself go now that no question arises of embarrassing the Labour Government. It is doubtful if ever these two conferences have taken place in a more serious situation, especially as far as the present and future interests of the working people of Britain are concerned. Indeed, the greatest condemnation of the policy of the right-wing Labour leaders is that after six years of power, Britain can be under a Tory Government and facing the crisis it is at the present time.

The essence of the position is that if the Tory Government is allowed to continue in power, or even if there were a Labour Government carrying out the same policy as before, then Britain is heading either for a grave economic slump, or being forced to

take part in an American-organised war against the socialist nations of the world.

We have had a series of economic crises since 1947, and each one has been deeper than the last. We have had devaluation, heavy sacrifices imposed on the working class, increased production, increased cost of living, growing unemployment; and so far from the crisis being overcome, we are now told by Butler and Churchill that it is deeper than ever before. Allowing for some of the propaganda of these two gentlemen being political preparation for carrying out a policy of wage restraint, there cannot be any serious doubt that fundamentally it is true. The intensified capitalist competition in a shrinking world market, while the productive resources of the capitalist nations are now greater than ever before, has now reached the point where every capitalist country in the world is being exhorted to export more and import less. The distortion of our basic economy through a rearmament policy that is ruining Britain, the refusal of America to allow Britain to trade with socialist nations who want our goods and whose cheaper raw materials and foodstuffs we so urgently require; the policy of stock-piling by the U.S.A. of vital raw materials which Britain is forced to buy and in doing so increasing the balance of payments disparity; the ruinous costs of the wars in Malaya and Korea, and the holding down of the peoples of the Middle East and elsewhere who are seeking their national liberation from imperialism; the new terrific drive by German and Japanese industry under the domination of American capital at the expense of Britain—these are the unassailable facts of the present situation facing Britain that all the wishful thinking and alleged ‘new thinking’ can neither gloss over nor avoid. The economic situation can be described quite shortly and concisely as follows:

- (1) the capitalist world is in crisis—a crisis of over-production;
- (2) further attacks will be made upon living standards, so that the burden of the crisis may be transferred to the backs of the workers;
- (3) the struggle of the colonial peoples for political and economic independence will grow stronger;
- (4) the struggle for the world markets will be progressively intensified;
- (5) the antagonisms and contradictions between the imperialist powers will increase, especially between Britain and the U.S.A.;
- (6) there will be increasing danger of an aggressive war by the imperialist powers.

At the same time it is instructive to observe that in the socialist nations of the world, against whom we are preparing to go to war

to crush them, there are no economic crises, no rearmament burdens nor preparing for war against any nation in the world. But there is certainly endless economic expansion, the carrying through of great Five Year Plans, the amazing successes of the immense projects of Communist construction in the Soviet Union—seen in the opening of the Volga-Don Canal on July 27, one of the greatest constructive achievements in the history of man. These nations are indestructible bastions of the world peace movement, and whatever differences there may be of resources, races, geography, climate and rate of social progress in these countries, they are indissolubly united—not only politically and morally in the use of their main resources for a never-ending increase in the standard of living for their working people, but above all in their desire for peace between the peoples of the whole world.

It is against this background that we have to consider the political ferment, unrest and anxiety inside the Trade Unions, Labour Party and Co-operative organisations, now so obvious. Because it is the concern about the present and future role the Labour Movement will play that is uppermost in the minds of the rank and file and those workers who are beginning to play a more vigorous and militant part than they have done for a very long time. We should remember that this is not a concern revealing itself simply because of the coming to power of the Tory Government and its subsequent policy. Everyone knows that the agenda for the Labour Party Conference in October 1951, when the Labour Government was still in power, was the most critical and hostile to the right-wing leadership of the Labour Party that had so far appeared in the history of British political conferences. Differences of opinion on all basic policy questions were glossed over in October 1951 on the pretext of the need for unity when it was decided to hold a General Election. Since that time as the crisis has deepened and as on fundamental issues and in Parliamentary debates it has been seen how the Tory Government is only carrying forward the previous policies of the Labour Movement, the unrest, dissatisfaction and desire for new policies has steadily developed inside the Trade Unions, Labour Party and Co-operative organisations.

Now everyone is aware that the battle is in full swing in preparation both for the Trades Union Congress and the Labour Party Conference in relation to policy questions and leadership.

There are growing tendencies to personalise the issues in order to hide the vital fact of the deep and serious concern of the rank and file Trade Unionists, Labour Party and Co-operative members. A review of what has been happening in the Labour Party since the commencement of the Annual Conferences at Easter this year, up to the time of writing will reveal the true picture of what the rank and file want and what the right-wing Labour leaders are against:

Six annual trade union and co-operative conferences have gone on record against rearmament of Western Germany; thirteen trade union and co-operative conferences have gone on record for either a Five-Power Peace Pact, or peace through negotiation; eleven trade union conferences have gone on record against the policy of rearmament (and it is worth noting that the Boiler-makers Conference failed to record a similar decision by only four votes, and that at the Co-operative Union the resolution against rearmament was only defeated by 6,780,000 to 4,561,000 votes, and at the Co-operative Party Conference by the still narrower margin of 3,717,000 to 3,360,000); eight trade union conferences have gone on record for East-West trade; 28 trade union conferences have passed resolutions demanding wage increases; and seven trade union conferences have recorded votes against atomic and bacteriological methods of warfare.

The discussions and dissensions inside the Parliamentary Labour Party are now, of course, public property. They have in particular centred on the attitude towards the bombing of the hydro-electric plants on the Yalu river; on the scale of rearmament; the vital issue of West German rearmament; and on some of the votes that have been taken inside the Parliamentary Labour Party itself, which have been deliberately turned into votes of confidence in Attlee's leadership in order to try to intimidate Labour Members of Parliament from expressing their views on the principal issues which were under discussion. An outstanding case in point, of course, was the discussion on the character of the motion that Attlee & Co. put down on the occasion of the bombing of the hydro-electric plants on the Yalu river, which was subsequently turned into a vote of confidence in Attlee's leadership at a meeting of the Parliamentary Labour Party, at which the *New Statesman* reported the vote to be 101 for Attlee, 52 for Bevan, with abstentions ranging from 40 to 60. Of course at the bottom of all the discussions inside the Parliamentary Labour Party is revealed the growing mass pressure of the rank and file of the Constituency Labour Parties in particular, and this estimate of the situation is most strikingly

confirmed in the character of the preliminary agenda for the Labour Party Conference in October.

It is the first agenda for a Labour Party Conference since 1945 when Labour has not been the Government, and there are 506 resolutions on the agenda. Out of 101 trade unions affiliated to the Labour Party, only 18 have taken the trouble to put resolutions down at this conference, although it is common knowledge that the bloc vote of the principal unions can completely nullify and destroy the wishes and desires of the Constituency Labour Parties, whose members alone are responsible for keeping the Labour Party machine working from year to year. With three or four exceptions the rest of the resolutions are from Constituency Labour Party organisations, and it is this fact which is of special significance in revealing what is taking place amongst those who have to do the detailed and donkey work of the Labour Party:

Five resolutions call for a national campaign against the Tory Government; 35 resolutions call for a new programme (and it is interesting to observe that the great majority of this number are calling for demands to be inserted in such a programme to which the right-wing leadership are implacably opposed); 44 are calling for opposition to or re-examination of the present rearmament policy, in one form or another; eight are expressing concern at the growth of unemployment; seven are protesting against the present suggested Federation of African territories; 11 are against the policy of Malan in Africa; five are supporting the demand for self-government for the colonial peoples; and nine are for extending mutual aid and the Colombo Plan to the colonial people. In all, 68 resolutions on the agenda of the Labour Party Conference deal with some aspect of foreign policy. It is an unprecedented number, and again the majority of them clearly reveal the disparity between the outlook on foreign policy of the rank and file of the Constituency Labour Parties and that being propagated by the right-wing Labour leaders.

Twelve resolutions call attention to the housing problem; 11 demand an extension of nationalisation, and are in complete contrast to every utterance made by the right-wing Labour leaders on their conception of present nationalisation, even; 12 resolutions demand more democratic control in industries already nationalised; and 22 resolutions go on record expressing opposition to any suggestion of denationalisation.

No wonder this agenda and what it reveals has caused a fluttering in the dovecots at Transport House. And I was not surprised, therefore, to read the following in the *Daily Herald*. It was given a big headline 'Their Job—Just to Debunk':

The appointment of 'de-bunkers' by local Labour Parties was suggested yesterday. Their job would be, when sweeping resolutions were put forward, to point out the uselessness of proposing things that are not possible.

This idea was put forward by Mrs. D. M. Pickles, lecturing to a student

group at the Labour Party's Summer School at Beatrice Webb House, near Dorking.—*Daily Herald*, August 5, 1952.

In the same way the agenda for the Trades Union Congress is also exceedingly revealing; and in considering this agenda it must, of course, be understood that whereas Constituency Labour Parties have the right to put resolutions on the agenda of the Labour Party Conference, only executive committees of trade unions can put resolutions down for the agenda of Trades Union Congresses.

There are 73 resolutions on the agenda for the Trades Union Congress. Six resolutions are against wage restraint; seven resolutions for East-West trade; four against the present scale of rearmament; four for peace by negotiation; four against atomic and bacteriological warfare; two against German rearmament; five against denationalisation; two for an extension of nationalisation; four for equal pay for equal work; two on the danger of unemployment; two against the policy of Malan in South Africa. These 42 resolutions are the most important. The rest deal with minor aspects of Trade Union policy.

It is no exaggeration to say that from a political standpoint the proceedings of all the working class conferences held this year, the agendas of the T.U.C. and the Labour Party Conference reveal an overwhelming desire on the part of the rank and file for wages, work, peace and socialism.

I think sufficient has been written to show that there is a new tide flowing in the Labour Movement. It is this new upsurge in the Labour Movement which is terrifying the right-wing leaders so that a whole array of 'new thinkers' have been called upon to try and stem this rising movement on the one hand, and on the other the full resources of the capitalist press have been organised to try to depict the whole struggle for a new policy as being an internal struggle of conflicting personalities, Attlee versus Bevan.

Now, we are not against new thinking. Indeed, none of us is doing enough of it. But the test of it all is whether the results lead to quickening the mass developments towards socialism; or whether, by confusion, disorganisation and loss of faith which it creates in the unity, strength and power of the working class, such developments are retarded and in the end the position of the capitalist class, and not the working class, is strengthened. If we are seriously to talk of 'new thinking' then let us look at the countries where more real new thinking in the interests of the workers by hand and brain is going on than has ever been the case before in the history of the world. It is to be found in the

Soviet Union, the People's Democracies and People's China. Consider the 'new thinking' that must have gone into the formulation of the Five Year Plans, the transformation of backward agricultural countries into countries where socialist industrialisation is making giant strides and modernised collective agriculture is making two blades of grass grow where one grew before. What 'new thinking' has gone into the construction the great new canal in Rumania; the gigantic power station in Czechoslovakia; the complete reconstruction of ravaged Poland; the discovery of raw materials, minerals and possibilities that none ever thought to exist in China, Hungary, Rumania and Bulgaria? Consider the 'new thinking' that has gone into the gigantic projects of construction in the Soviet Union, where the face of geography is being changed, climates regulated and the secrets wrested from the bosom of Mother Nature. This is indeed thinking of a new, positive, forward type that is only possible when power is really in the hands of the working people, headed by the organised working class and its Party, the Communist Party. It all breathes such boundless confidence in the ability of the common people to perform what are literally miracles of socialist construction and achievement.

The contrast of all this and what passes for 'new thinking' in Labour Party circles today is indeed striking in the extreme. The Labour Party type of 'new thinking' is peddled with such a patronising, pompous: 'You were never at Haileybury, Winchester, Oxford or Cambridge' air on the part of alleged Labour leaders who have never been in a strike or lock-out, hunger march or dole queue, never been down a pit or worked at a lathe, never preached the gospel of divine discontent or socialism at a street corner or market place, never known what it is to feel hunger or anger, and to passionately desire the overthrow of the capitalist system because socialism means the end of poverty, unemployment and war, and the beginning of a new life when at last the workers will come into their own.

What is the gist of what these 'new thinkers' have to tell the working class? That modern capitalism has reached a point where there is no longer a class struggle and to think so is 'old fashioned'. Those who built up the Labour Movement on the conception that socialism means that the means of production, distribution and exchange will be owned by the working people, are now to be fobbed off by the Labour Party declaration of faith;

'Socialism is an attitude of mind, a state of moral values, a method.' No wonder the Tories rub their hands in glee at this poppycock. I hope I may be excused for writing it, but a careful examination of all these 'new thinkers' will reveal that they either held good jobs in the last Labour Government, or hope to hold better ones in the next.

Take Maurice Webb's weekly apologia for the policy of the right-wing Labour leaders in *Reynolds News*. On July 6, 1952, he wrote:

But what disturbs me most is the way in which the Conservatives in our ranks—the 'Comrade Blimps of Socialism' masquerade as the challenging, questing custodians of the Ark of the Covenant. I have in mind those who scorn any effort at 'new thinking', and who seem to believe that socialism is not a living, growing faith, but are content to rest on the platitudes and clichés of a bygone age. Such men are dangerous to our cause. They use violent and robust language and give the impression that the rest of us are sluggards and weaklings . . .

The socialists who really matter—and those who will find the means to advance—are those who are facing the technical job of social engineering. Those who don't matter—and who could take us down to disaster—are those who think that the vigorous repetition of the fear-conditioned dogmas of the last century is a sign of bold leadership.

If you who are a socialist read that priceless bit about 'the technical job of social engineering' know what it means, you are a better man than I am, I confess. But, bless my soul, all this 'new thinking' is operated in such a way as to create the impression that it is new. Yet readers of the *Labour Monthly* know it has all been said before and in a more convincing way by the older and more experienced theoreticians of social democracy.

How well I recall after the defeat of the General Strike in 1926 right up to the great economic slump that commenced in the United States of America in the autumn of 1929, how we were treated to full doses of 'new thinking'. Let me quote a few examples. A review of Henry Ford's book 'My Life and Work' in the *Daily Herald* (September 9, 1926) read:

Mr. Ford reminds us . . . of a thoughtful Labour leader . . .

Business is here a god, a beneficent international god . . .

Fordite workers and artists in the midst of our capitalist world remind us of those antique poets and sages who could not fare to paradise, but still were set untroubled and apart by Dante . . . the surrounding inferno hurt them not.

In the organ of the Independent Labour Party, H. N. Brailsford, the first apostle of the doctrine that Ford had replaced Marx, wrote:

If this is capitalism, it is a variety which has discarded the fundamental principle on which Marx based his prediction. The case against it is no longer that it makes poverty by its very success. The case against it is rather that it is an unchecked autocracy.

Or take Hilferding, the leader of the German Social Democratic Party in 1927, when it was at the height of its power:

Organised capitalism in reality means a fundamental replacement of the capitalist principle of free competition by the socialist principle of planned production.

Or again, the German trade union leader, Tarnov, in a speech at a meeting of the Second International:

We must distinguish two epochs in the development of capitalism: the epoch of British capitalism which was limited in its possibilities of expansion, and the epoch of American capitalism which, on the basis of the latest technical advances, can unendingly expand and develop. For the first epoch, Marx and Lassalle were typical. They maintained that wages are determined by certain economic laws, that they depend on the cost of labour power, etc. For the second epoch, Ford is typical. He proved that capitalism can prosper while the workers need not at the same time remain poor.

Or the famous declaration of the Vienna *Arbeiter Zeitung* (January 1, 1930), when carrying forward Hilferding's line:

The year 1928 was a year of powerful development of organised capitalism. A new capitalist era commenced in 1929. Modern capitalism is overcoming and removing anything which made for the anarchy of capitalist production. Modern capitalism confirms the fact that world economy can be carried on according to plan.

So one can go on; and it is necessary to remark in passing that nowhere were such illusions so assiduously spread as in Germany and in Austria, and we know what happened to the German working class in 1933, and to the Austrian workers in 1934.

At least this can be said in excuse—even for those social democrats—that then there was no economic crisis; the Second World War seemed far off, Europe had not experienced Hitler; the world market for capitalism had not shrunk to the degree it has now; and its productive resources were not as gigantic as they are today. But with all these experiences as a guide, and in the midst of a developing economic crisis and the openly avowed aims of making war on countries which have either established socialism or are rapidly doing so, there can be nothing but shame and contempt on those who are now spreading the same theories in new language in the dangerous situation we face today.

Because these theories if accepted can only disorganise, confuse and disunite the working class and allow the capitalist class to either solve the crisis at the expense of the working class, or drag

them into a third world war in which Britain would be obliterated. This is why, while welcoming all new thinking that strengthens the fight of the working class against the capitalist class, that which weakens the working class and strengthens the capitalist class must be ruthlessly exposed.

The essence of the present political situation in Britain is this. The longer this Tory Government remains in power, the greater the danger of either great economic slump or being involved in a third world war. This is why the overriding task standing before every section of the labour movement is to organise the Tory Government's defeat by every means in our power. But three facts have to be faced. First, the right-wing Labour leaders do not want power; because they know that on the basis of their pro-capitalist outlook and anti-socialism, they would have to carry out similar policies to the Tories, and in so doing would give still further impetus to the leftward movement in the Labour Party which they would be unable in the future to control. Second, the movement known as the Bevanites is not in itself united, is not bound by a common loyalty to a clearly defined programme; there is no sustained mass campaign organised to win even what policies they do advance, with greater mass support in the factories and unions—and this is one of the real tragedies of the left in the Labour Party at the present time. Third, any successful united action to defeat the Tories and to change both the policy and leadership of the Labour Party, must be based on a unity that is not confined to the Labour Party, but embraces every section of the labour movement, politically and economically. It must be based on the every-day united campaign against the war policy, to defend and improve the living standards of the people, and to bring about the defeat of the Tory Government. Such a united campaign, carried forward into the electoral struggle, will guarantee victory. The pretence that such a movement could be developed without the participation of the Communist Party is a false one. Our policy is on the record and our consistent and persistent fight for it in the factories and in the trade unions is to be seen in certain of the results of the annual trade union conferences, as it is also reflected on the agendas of the T.U.C. and Labour Party Conference and in the pressure exerted on members of the Parliamentary Labour Party. The potential strength of the united movement is enormous and exerted to the full it can change the entire situation at home and abroad.

This is what we have to win conviction on in the Labour Party, Communist Party, Trade Unions and Co-operative organisations.

In concluding this review of the situation inside the British labour movement, I will take the liberty of quoting some remarks I made at the 22nd National Congress of the Communist Party held at Battersea at Easter, 1952:

The powerful mass movement already rising can be developed to great new heights in a united struggle against the Tories, that can make its influence felt inside the Labour Party and help bring about serious changes in its policy and leadership.

It will be the aim of this mass movement not only to defend successfully the living standards of the working people, but, gaining strength from this, to ensure the crushing defeat of the Tories at the next General Election, and the return of a Labour Government which would be compelled to carry through an entirely new policy.

We suggest this policy should be based upon the following measures:—

1. The withdrawal of all cuts in the social services, restoration of cuts in food subsidies, wage increases to meet the rise in the cost of living, and increased benefits for the unemployed, old-aged and war disabled.
2. The development of East-West trade.
3. The reduction of armaments.
4. The signing of a Five-Power Peace Pact.
5. Withdrawal of British troops from Korea, Malaya and Egypt.
6. Throwing off America's domination of Britain.

We are confident that such aims will command the support of decisive sections of the labour movement as a whole.

If all the members and various groups within the labour movement who are profoundly dissatisfied with the whole policy of the Tory Government and the right-wing Labour leaders now got together to try and reach agreement on a programme of immediate demands, and then organise a nation-wide united campaign to achieve them, it could completely transform the political situation in Britain.

It is not a question of working out a programme that suits only some particular section or grouping in the labour movement, but the policy to save Britain from disaster on which unity can be reached.

This is one of the most urgent tasks before every section of the labour movement, and one that should succeed in getting all sectional and personal interests put on one side in order to secure the greatest good for the greatest number of Britain's working people.

I believe that these remarks express what is the most urgent task of every honest and sincere socialist. It is to try to reach agreement, to be prepared to sink differences on questions that do not matter, in order that the maximum unity can be achieved on how to solve the outstanding problems of our time.

August 11, 1952.

TRADES UNION CONGRESS 1952

JIM GARDNER

FOR the first time since the war the Trades Union Congress will conduct its deliberations without delegates being subjected to exhortations not to embarrass the Labour Government. There will no distinguished guest from the Cabinet to revive the fiction of Congress representing the ruling class and to impress delegates with their responsibility to the welfare state. The Tory party of the ruling class is again in power determined to apply traditional treatment for the chronic disease of decaying capitalism. Earlier symptoms of over-production can no longer be concealed by the artificial industrial stimulation of rearmament. Slump conditions have struck Britain's consumer goods industries and resurrected the spectre of mass unemployment. The ruling class with their own executive in Cabinet office are on the war-path to beat the foreigner in the contracting world markets by reducing costs at the expense of living standards. It would be strange, indeed, if the T.U.C. agenda did not reflect the changing mood of the workers in the new situation which faces the trade union movement.

Organisation. There are seventy-three resolutions in nine sections of this year's Congress Agenda showing the same Left development as was expressed at the trade union conferences held earlier in the year and giving promise of some interesting debates at Margate. The first two sections are concerned with organisational questions, Bank employees expressing dissatisfaction with the block vote in deciding the composition of the General Council and asking that the rules be revised to provide each trade group voting by ballot for its own representative, but for no others. This proposal would give more power to the bigger unions of each group but leaves the real problem of unequal distribution of representation on the General Council to the exclusion of important industrial interests still unsolved.

An echo of the D. C. Thompson dispute and of the Fire Brigade dispute is contained on the agenda. In regard to the first, the Transport and General Workers Union asks the General Council to initiate action that will enable the trade union officials to carry out union executive policies without legal hindrance. The Fire

Brigades Union is concerned with the Tory attempts to set up so-called 'non-political' unions designed to wreck the negotiating machinery and powers of bona-fide trade unions. Both these resolutions seek to counter attempts by the employing class to weaken the unions in a period of developing class issue on which the workers are likely to take positive action.

Health, Safety and Welfare. Criticism of Tory economies at the expense of the sick is implied in two resolutions from the medical practitioners calling for the abolition of 'all charges other than those authorised by the National Health Service Act, 1946' and for a 'Comprehensive Occupational Health Service to be welded into the National Health Service'. A more forthright resolution from the Metal Mechanics deplores the 'frugality' of old age pensions and presses for an increase 'commensurate with the increase in the cost of living'. The Union of Shop, Distributive and Allied Workers demands that early steps be taken for legislative implementation of the 'Gower's Report' as it concerns shop hours, health, safety and welfare in non-industrial employment, and hours of employment of juveniles. The constructional engineering union raises similar considerations in respect of civil engineering construction, while A.S.S.E.T. calls for investigation into the establishment, wages and conditions and criteria of recruitment of factory inspectors. Problems of industrial health are not very adequately dealt with on the agenda, due no doubt to the limitation of two resolutions from each affiliated union and the over-riding importance of economic and political questions to which unions have directed attention in other resolutions.

Conditions of Employment. Employment of children in the sphere of entertainment is featured in a resolution from Equity and a demand made for prohibition except on licence under strict safeguards. The Metal Mechanics call for action to end so-called 'spare-time occupations' at home at sweated piecework rates and the building trade workers demand legislative enforcement of fair wages so that any worker may recover in law any remuneration negotiated jointly in industry. Equal pay is again to the fore and is sponsored by five of the Civil Service Unions with application to Government employees.

Nationalised Industry. Opposition to the Tory Government is more sharply expressed in a number of resolutions condemning the policy of denationalisation of road haulage and iron and steel.

The Salaried Staffs Association characterises the Government's road haulage proposals as a betrayal of the public to political expediency and as a wilful sacrifice of public assets. The National Union of Railwaymen regards them as a complete capitulation to private interests in transport. The miners include iron and steel in their denunciation of Tory policy and together with other unions support the declared intention of the Labour Party to restore nationalisation when returned as the government of the country. The N.U.R. goes further and wants the next Labour Government to re-acquire and without compensation all former state property sold to private enterprise by the Tory Government. Vehicle builders take a similar view and oppose any claim for compensation on renationalisation. Foundry Workers and Public Employees call for more nationalisation with particular regard to monopolies. Chemical workers also call for an extension of public control or public ownership and urge new legislation to strengthen and speed up investigations into monopoly practices.

Economic. Government housing policy is attacked by the Plumbers and the Amalgamated Engineering Union both demanding that the decision authorising local authorities for sale and the lowering of building standards be withdrawn. A lower rate of interest on loans for public works and an increase in the rate of building by local authorities are also demanded by the A.E.U. Inclusion of all council houses within the provisions of the Rent Restrictions Acts is urged by the Civil Service Union. Agricultural workers direct attention to the urgency of the food situation brought about by 'a complete and permanent change in the economy of Britain' and the fact that we can no longer rely on 'cheap food through the exploitation of virgin land and native labour'. Increased production of food from our own soil, and its equitable distribution to ensure a reasonable minimum standard of life demands a land and food policy and the full use of scientific and technical knowledge, consistent with an adequate return to farmers and wages and conditions for farm workers equal to those in other industries.

Delegates will be reminded of Congress discussion before the war by the inclusion of resolutions in this year's agenda on unemployment and under-employment. They will not be much impressed by a call on the Tory Government to pursue a full employment policy as a means to alleviate unemployment. True, the

T. & G.W.U. introduce a more realistic approach by urging an examination of economic relationships with a view to a continuous interchange of trade within the Commonwealth and with *all* other nations.

Other unions are even more realistic in their demand for a review of trading policies which include the eastern countries. The miners believe 'that extensive trade and friendship between Great Britain and the Soviet Union and other eastern countries would be the most effective way of bringing about an improvement in the present international situation which is causing grave concern to the peoples of all countries'. A call is made on both governments to act without delay to discuss the possibility of extending trade believing that 'extended trade with *all* countries would bring about better international relations and promote peaceful and friendly co-operation amongst all nations'. The Electrical Trades Union, Foundry Workers, N.U.R. and Scottish Painters subscribe to these sentiments, the N.U.R. registering its belief 'that the rearmament programme by its demands upon our productive resources, available materials and manpower, is having a seriously injurious effect upon our economy, and endangers the standard of living of our people and the maintenance of the policy of full employment'. The N.U.R. also believes 'that ideological differences should not preclude negotiations for a greater volume of trade between this country and all other nations regardless of their political systems'. A vigorous effort is called for 'to remove by international agreement the ideological, political and military barriers which are now obstructing trade throughout the world, and particularly with the east and the Republic of China'.

Unbridled competition in the world markets, emanating from ex-enemy countries is noted by the Hosiery Workers. 'Building up a defence programme' is blamed for the crushing burden of taxation on Britain's industries and workers and a call is made for investigation into trading standards of ex-enemy countries.

Reliance on American Aid has no longer the appeal that it did and unions are more and more turning their thoughts to closer economic and political relations with the planned economies of eastern Europe and Asia as a means to greater stability in Britain's economy. This section of Congress Agenda shows a decided change in outlook and the beginnings of break from the influence of the extreme right wing.

Wages, Prices and Profits. There is evidence in this section of the agenda of a growing awareness of the impasse to which T.U.C. General Council policies on wages has led the unions. Trade unions have grown in strength and influence in their efforts to get more wages for and to advance the living standards of their members. Wage restraint was and is in direct conflict with this traditional aim of trade union organisation and the rejection of this policy at the 1950 Congress was, in effect, telling the General Council not to intervene in matters which are not its concern. That happened while the Labour Government was in power, and is likely to be much more emphatic under a Tory government.

Right-wing illusions of a regulated capitalist economy or that higher living standards can be obtained by improved machinery and the goodwill of the capitalist class finds expression on Congress agenda. Resentment against wage restraint and moderation of wage demands is also expressed on the agenda. Most of the unions are at present meeting with the resistance of employers and the government to wage claims which on ordinary trade union standards are substantially justified. In the circumstances it is not surprising that some union executives who formerly supported restraint now regret it. Rejection is, however, in some cases, qualified by the linking of wage movements to profits.

The effect of rearmament on living standards is clearly recognised in some of the resolutions on Congress agenda, but the main attack is on the Tory budget, profits and dividends. Government policy is described as rationing by price and demand is made for the restoration of the food subsidies, a reduction of purchase tax and the introduction of a profits tax and dividend limitation. The increase in the Bank Rate is included among the causes of rising prices, and the adjustments in income tax and family allowances are criticised as totally inadequate to relieve the price pressure on living standards. Chemical workers call for a more equitable distribution of the national income, a 'budgeted' national wages policy, limitation of dividends and a levy on capital. The maximum degree of trade union organisation for the protection of life and labour by the maintenance of adequate wages and working conditions is U.S.D.A.W.'s demand. Garment workers want to resist wage restraint until adequate price controls are effected and call for the immediate release of post war credits to place spending power in the hands of the people and so alleviate conditions in the consumer industries. Draughtsmen

and the E.T.U. make a forthright rejection of wage restraint and support the wage applications of the unions. In general the unions assert their traditional rights to advance the interests of their members nor is restraint likely to be popular at Margate.

Peace and Rearmament. International problems are the subject of resolutions from eleven unions and in this section also trading relations with eastern countries is urged on Congress as a condition for developing peaceful relations between the nations. Increasing unemployment is attributed to war tension and rearmament by the Tobacco Workers' Union, and a call is made to oppose the preparations for war. Vehicle builders, A.E.U. and building workers want a conference of the Great Powers, the two latter including a five power pact in their demands, the building workers 'being of the opinion that it is better to negotiate now than after the almost complete destruction which would occur in the event of a third world war, when there would be nothing to negotiate about'.

Demand is made by several unions for a reduction in the rearmament programme, and the rearming of Germany and Japan comes in for specific condemnation. The banning of all weapons of mass destruction is put very frankly by a number of unions, particularly atomic and bacteriological warfare.

There is no mistaking the feeling of alarm expressed in the resolutions at the present world situation; yet, except by implication, there is no mention of the wars in Korea, Malaya or elsewhere. 'Self government for all oppressed peoples' is featured in a resolution from the constructional engineers, and the draughtsmen are concerned 'to assist the economic development of backward areas in such a manner as to raise the living standards of all people, and not to infringe their rights to political self-determination'. Self-determination for the Korean and Malayan people would presuppose the withdrawal of British armed forces from their countries.

Despite important omissions, this year's Congress Agenda does register an important change of outlook in the trade unions, both in regard to economic problems and in the sphere of foreign policy. The rising temper of resistance to the Tory attacks on living standards and to the threat of war is clearly featured and is an encouraging sign of a growing desire for new policies which will lead the British people along the road to British Socialism and peace.

GERMANY: PEACE OR WAR?

HENRY PURCELL

THE Western creators of a new Nazi army, not only inherited the Hitler generals, the Ruhr industrialists and the Nazi politicians from Hitler's Reich; they inherited, too, the technique of bigger and better lies laid down in *Mein Kampf*. From the time of the Potsdam negotiations when Stalin suggested various immediate measures as first steps towards an all-German government, the Soviet Union has pressed consistently for the re-establishment of a united Germany. At every point, the Western Powers have vetoed any plan to end the division of the country, but all the time they have proclaimed to the world through the vast propaganda machine at their disposal that it was the Russians who insisted on keeping Germany divided.

Mr. Eden carried on the technique in his speech opening the House of Commons debate on ratification of the Bonn Contract. He dismissed the long exchange of Notes between the U.S.S.R. and the Western Powers with the comment that the British Government stood for 'free elections first, then the setting up of a free all-German government and finally the negotiation of a peace treaty'. Even Mr. Shinwell was constrained to protest that the Soviet Note of April 9 had shown a desire for free elections by demanding a meeting of the Four Powers to discuss this very question. Mr. Eden petulantly retorted:

I did not know that there was in any part of the House—there certainly has never been so far—any dispute about our replies. In fact, the Leader of the Opposition gave the warmest approval to our reply. (July 31, 1952.)

Mr. Eden had good ground to be annoyed. The vote of the Parliamentary Labour Party against the Bonn Contract burst wide open the coalition on foreign affairs. The British people have begun to see through the lies. The rank and file have forced the beginnings of a change of policy in the Labour Party and they have exposed to the anger of their constituents those M.P.s, whether belonging to the Tory Party or to the rump Labour Right Wing Opposition who have publicly endorsed the Nazi Army. The campaign against German rearmament during the last two years has shown that the web of lies, which alone enables the Western Powers to carry out their policies of rebuilding a new Nazi Third Reich, can be broken. More than two

years ago, the Co-operative Party recorded its unswerving opposition to any plan of German rearmament and despite an attempt to reverse the decision by the leadership, reaffirmed their viewpoint last Easter. One after another the trade unions have added their voices to the protest. At the end of last year Mr. Dalton warned in a broadcast speech that to give arms to the Germans might prove the 'road to hell'. Later he was shocked to find that the leaders of the German Social Democrats, in true Noske tradition, were actually claiming not only Poland's Western territories but the 'Sudetenland' part of Czechoslovakia as well. His report of this conversation did much to swing over waverers in the Parliamentary Labour Party and in the Labour Party Executive. No doubt Mr. Dalton's well-known fears of a revival of German militarism enabled him the more easily to adopt a line likely to appeal to the constituency parties when they elect the new Labour Executive in October. Mr. Shinwell's rather later conversion may not be unconnected with the same event, but there is no dispute that when they opposed the Bonn Agreement in the House of Commons debate they spoke for the whole labour movement.

The labour movement cannot go back now that it has broken the bi-partisan foreign policy. It must go forward. The struggle must be carried forward against the whole conception of a Western Alliance, artificially dividing the world and preparing for a third world war. The campaign to force the great Powers to sit round the conference table in order to lift the shadow of war both from Europe and Asia has gained immeasurable strength with the winning over of the labour movement to the struggle against German rearmament. The great need for the coming struggle is factual material about the international situation. In the factories, mines and workshops the disillusionment with the 'bigger and better lie' technique of the mass circulation newspapers and the B.B.C. is growing as the contradictions of Western policy become clearer. That is why the new pamphlet *Germany, Peace or War?** should prove of immense value. Mr. Pritt deals mainly with the interchange of Notes from March onwards between the Soviet Union on one side and the Western Powers on the other, which Mr. Eden dismissed so perfunctorily in his House of Commons speech. He

**Germany, Peace or War?* by D. N. Pritt, Q.C. (24 pp. New Central European Observer. 6d.)

shows how consistently Moscow pressed for serious efforts by the Four Powers to avoid the danger of a divided rearmed Germany and how Washington and London manoeuvred constantly to prevent all possibility of agreement.

Analysing the Soviet Note of March 10, Mr. Pritt emphasises how it brought into the open the hopeless contradictions of Western policy. 'The Note, in effect', he writes, 'crystallised a basic contradiction for the Western Powers; if they agreed to all-German elections and a peace treaty, it would become impossible to incorporate Western Germany in the 'defence' system; if they did not agree they would earn the hostility of all Germany and would make nonsense of all their declarations of a desire for German unity'. The evidence is all here to show the infinite peril of the road along which the American generals and politicians are leading their reluctant satellites. These are the facts which explain why General Sir John Harding, soon to become Chief of the Imperial General Staff, should blurt out that 'German military thinking will contribute immensely to Western defence', and why Mr. Frank Howley, former U.S. Commandant in Berlin, should call for the 'liberation' of the people of Eastern Europe instead of the 'containment' of communism.

The Bonn Contract is the blueprint for a Third World War and anyone honestly examining the facts cannot fail to understand. Mr. Pritt's documentary is by its nature limited to only a small section of the tangled story of post-war Germany. In the coming campaign to prevent the re-creation of an armed aggressive Nazi State in Western Germany, much more factual material will be required. How many people in Britain remember that the last attempt by the four Foreign Secretaries to reach a solution of the German problem at the end of 1947 broke down because the Americans walked out rather than discuss a Russian proposal to take a proportion of current production as reparations for the countries devastated by the Nazis? We were told then that neither Britain nor America could possibly agree to impose such an intolerable burden on the shattered German economy. What appalling hypocrisy that statement now appears, in the light of Mr. Eden's original admission during the ratification debate that 'if the Germans took no part in rearmament this would mean that they alone of the free nations would be able to devote their full industrial capacity to civil needs and the export trade. This would accentuate the

already formidable and increasing competition in all the world markets'. Mr. Molotov was subjected to fierce abuse in the Western press because he suggested that Germany could allocate part of her current production as reparations, and still provide a rising standard of living for her people. Now the West Germans must make guns and tanks and bombers—and soon no doubt atomic weapons and germ bombs—lest their civilian output competes with British exports on the world market.

During the debate Mr. Eden repeated the threat to go to war if discussion arose over Berlin. How many of the bewildered readers of the propaganda press know how near we were to world war in 1948 and how completely the legends put out in the West to explain the crisis have been disproved?

The diaries of James Forrestal show clearly that Clay, the U.S. Commander-in-Chief, deliberately provoked a war scare and that his action in pressing through unilateral currency reforms in the West at a time when four Power agreement had actually been achieved for a new all-German currency, made Soviet economic counter measures inevitable. Drew Middleton, an American journalist who never quarrels with the policy of the State Department, finally disposed of the legend that the Western Powers were forced to supply West Berlin by air because otherwise the population would starve. In his book on Germany he blurted out that the airlift would have been of no avail but for the action of the West Berliners in refusing to eat the food which the Russians and the East Berlin authorities placed at their disposal. Yet we nearly had the third world war over the lie still periodically repeated by both Mr. Eden and Mr. Attlee, that the Russians attempted to starve Berlin into submission.

How many people in Britain remember now how all the early measures to isolate the Western Zone were justified by the British and the Americans on the grounds that the West was carrying out the Potsdam agreement and the Russians breaking it? The evidence is now available for all to see that through all this time the Western powers were deliberately breaking the key clauses of the agreement. There can be no dispute now that the Americans, followed closely by the British, encouraged the return to authority of the groups of Nazis who under the operation of the Potsdam agreement were to be excluded from all positions of authority. The Adenauer government openly admits that the majority of the high officials in the Bonn Foreign Office

today were originally appointed by Ribbentrop. The Four Power Control Commission in Berlin laid down early in the occupation that those who aided the Nazi regime industrially and financially even though they were not open members of the Party were to be treated as Nazis. Today these very men are to be responsible for the war economy of the Bonn Republic and no doubt will soon dominate the Schuman plan.

The Potsdam agreement pledged all the allies to extirpate German militarism—which could only be achieved by destroying the economic power of the Junkers, the great landowners—and to break the power of the cartels. We know that in the West there has been no land reform. As for the break-up of the cartels, James Stewart Martin, the man originally sent by the U.S. Government to deal with the cartels, has told in his book, *All Honourable Men*, how he was frustrated and sabotaged and how in the end the German cartels were re-created by the very Americans who had assisted in their formation under the Weimar Republic and the Third Reich. In the files of the Control Commission in Berlin, there is the record of a Commission of investigation representing all four Powers which reported without any qualification that war factories and installations had all been destroyed in the Russian Zone. The Western Powers have not only refused a similar investigation, but from the very beginning openly admitted that they had not destroyed war factories in Western Germany.

We are told that four-Power talks over Germany would be a waste of time because of the long abortive discussions at the Palais Rose between the under-secretaries. How many people remember—or even had a chance to know—that those talks were abortive because the Western powers refused to talk about Germany unless all other world problems were brought in, and then refused to admit to the agenda questions outside Germany which the Russians wished to discuss?

So the record goes on. The facts are all there to prove that from the very beginning, the West was prepared to re-create the new Nazi Reich as part of its policy of cold war.

As one of the British spokesmen* declared at the emergency World Peace Council in Berlin in July:

*Gordon Schaffer, Chairman of the British Peace Committee.

The peoples mobilised their strength to destroy Nazism. They forced the rulers of the Western countries to accept the implications of an anti-fascist war. The war-time allies pledged themselves at Yalta and Potsdam to ensure the break-up of the Nazi regime, the destruction of the Nazi military machine and the ending of the power of the German trusts and cartels.

The tragic years since 1945 can be understood only against this background. The cartel kings who gave a pledge at the Hague (while the war was still on) to resume friendly relations when the war ended, have kept their promises: the Western Powers who signed the agreement of Potsdam to break up the cartels, have broken theirs. In the countries of the West, for the time being the people have lost. The cartels have won.

The logic of this policy cannot but lead to a military alliance with the Nazis, with Franco Spain and with all the Fascists and Quislings of Europe, an alliance designed to fight again the war Hitler lost.

The British people would have seen earlier the ghastly consequences of their policy, but they were blinded during the period of the Labour Government by propaganda and by loyalty to leaders. Now, however, the real nature of the alliance with Nazism can no longer be concealed. Not only the working class but a broad body of opinion is swinging into action against Nazi rearmament. Lord Hinchingsbrooke is not alone in the Tory Party in his opposition to this course. Representatives of all the peace organisations and a number of religious leaders have joined in the work of the International Committee for the Peaceful Solution of the German problem. The peoples of France and the other countries occupied by the Nazis as well as the peoples of Germany will be fortified and sustained in their struggle against remilitarisation by the knowledge that the British labour movement is at last beginning to return to its true traditions. The crime of rearming the Nazis can still be prevented. The great need of the moment is for a mighty campaign to show the people the peril in which they stand.

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PEASANTS OF SICILY

Renate Guttuso—born 1912 in Palermo. Was active with the Italian partisans in the resistance movement during the last war. Is now one of Italy's leading artists and exponent of socialist realist painting.



Heads of peasants during the occupation of the big estates

by GUTTUSO



Back-view of a landlord

THE STRUGGLE IN AUSTRALIA

WILLIAM GALLACHER

[We print here some portions of an account by William Gallacher of his visit with his wife to Australia, where they were the guests of the Communist Party.—Ed., L.M.]

THE Communist Party of Australia with seven thousand members compares favourably with our own in comparison to the population. But the party there is handicapped to a considerable extent by geography. For instance from Sydney to Perth is about 2,500 miles, nearly as far as from here to Canada. Most of the industrial population is in the South, Sydney, Melbourne and Adelaide, with a fair industrial area, six hundred miles north of Sydney, in Brisbane (Queensland). The distance between these centres, all in different states, imposes a heavy financial burden on the party. It is a costly business, sending out organisers and propagandists or bringing in members for a Central Committee meeting. It is also an almost insuperable obstacle to the launching of a daily paper. The party has three weekly papers, *The Tribune* in Sydney, and in Melbourne and Brisbane, they each have *The Guardian*. But a weekly paper, however good, cannot keep up with the rapid changing events of today.

The Referendum Campaign had been an inspiration to all. Everywhere I saw painted slogans, 'Say "No" to Menzies', everywhere I heard of how party members and progressives threw themselves into the fight and the terrific uplift it gave to all of them when the result was declared.

At the time of our arrival, they were engaged in another bitter struggle. Menzies, the Federal Prime Minister, had declared that he would do all in his power to prevent the Australian Youth Festival taking place. But there wasn't much he could do. The Festival was to open in Sydney and the Federal Government cannot interfere in the affairs of the various states. All Menzies could do was to keep out foreign delegates and this he did. However, in New South Wales the Labour government of that

particular state was prepared to do or try to do all that Menzies wanted. All parks in Sydney were banned, halls were banned, a savage press and radio barrage was kept up against the sponsors of the Festival. Nothing was too vile, nothing too mean for these so-called leaders of labour. A fair-ground was obtained about 12 miles out of Sydney and preparations for the opening in March went ahead. Then the lessee of the fair-ground was informed that if he didn't cancel the contract his lease would not be renewed. Reluctantly he cancelled the contract. The sponsors of the Festival took the matter into court, while at the same time they sought and obtained another field, further on, from a sympathetic farmer. On the Friday afternoon the Court gave an injunction in favour of the sponsors and so the way was clear for the opening in the fair-ground. On Sunday morning all buses were taken off the route that led to the fair-ground. Cars, trucks, lorries, vehicles of all kinds were gathered in and a shuttle service got going that overcame this last obstacle and had the participants and spectators out at the field in good time for the official opening. And what an opening. Thousands of young people from all parts of Australia, gaily dressed and with banners flying high paraded round the field to the cheers of the onlookers. It was a memorable day for the youth of Australia and a truly great victory for the forces of peace.

The following week was taken up with sport and cultural activity. At factory gates the young lads and lassies sang and danced, after a few words on the meaning of the Peace Festival by one of their number. The first of such entertainments was at one of the docks. The police arrived and tried to stop them, in fact proposed to put them under arrest, but the 'Wharfies' (dockers) became so threatening the police discreetly withdrew. The young people were left alone after that. The tory-labour conspiracy had utterly collapsed, so much so that when the sponsors applied for a permit to conduct a Peace march through the city, it was granted. This was the outcome of the tremendous feeling that had been aroused in support of the Festival.

The Peace march was a further triumph. I had been advertised to speak that Sunday in the Domain (a public park in Sydney, part of which is set aside for meetings) but as the Youth were taking over, my meeting was postponed to a later date. I was free therefore to watch the procession and listen to the speeches. It made me feel proud to belong to the peace and progressive

movement. With such a fine youth movement there is great hope for the future of Australia. The Festival had the backing of many of the trade unions, as well as the Association of Australian Women for Peace. This latter body was very active all through the Festival and will play an increasing part in the general peace movement of Australia.

Travelling around New South Wales your attention is continually directed to roads and buildings, laid or built, by convict labour. Convicts were hired out to the big land-grabbers and contractors. When the deportation of convicts was stopped, 'free labour' was ruthlessly exploited. The only way to combat this was through the 'Union'. The employers looked on the 'Union' as the evil of all evils and used every method, including the use of military and police in an attempt to stamp it out. The more ferocious of the attacks made upon the unions, the more the workers were attracted towards them. Many bitter battles were fought, in town and country, in defence of the 'Union' and many of the earlier leaders spent years in gaol. As a consequence of this the 'Union' became the symbol of all their hopes and aspirations. Politics was a dirty business played by crooks and grafters. In the years before the first World War the I.W.W. (Industrial Workers of the World) got a strong foothold in Australia. The terrific agitation and activity of this body strengthened the belief in unionism but at the same time intensified the prejudices against 'politics.' Thus while it can be truly said that the Australian workers are union conscious, it cannot be said that their political understanding is on a level with their militancy.

I spoke at many factory gate meetings and found, in many cases, the leading shop-steward waiting for me at the gate with the 'mike' all set up and ready. In most factories they have their own apparatus, 'stop-work' mass meetings being a common feature of their factory life.

Wherever I went I got a great reception and an eager interest in all I said. This was the case wherever I spoke. They wanted to hear about what was happening in Britain. Why Churchill was Prime Minister? How strong was the Peace Movement? What was Bevan up to? Why did the British workers tolerate labour lords? Why were the British workers so passive? These and a host of other questions were put to me time and again.

Regarding the trade unions a real battle is going on against the Communists. Tory, Labour and Catholic Action are united in a desperate effort to destroy the militant character of Australian trade unionism. The history of the trade unions in Australia has been stormy and turbulent.

They understand that, as the crisis advances, there is danger from a militant trade-union movement, if that movement has resolute leadership. So Catholic Action (composed of reactionary Catholics) and the equally reactionary Right-wing labour leaders, have got the job, if it can be accomplished, of isolating the effective leadership that only the party can give, from the militant working class and by this means keep the decaying system going a little longer. Of course we have the same thing in Britain. The labour movement that was built up with so much sacrifice, on the part of countless men and women, for the purpose of eliminating Capitalism is now being transformed into an instrument for saving Capitalism. And some people thought they had got rid of the traitors when MacDonald, Snowden and Thomas went over to the Tories. But in Australia there is more open corruption and graft than there is over here. At least that was the opinion I formed. But when I mentioned that up here at home (Paisley) I was met with a snort and the remark 'It can't be worse than Glasgow'. Be that as it may, it is bad in Australia. Frank Hardy's book has taken the lid off and provided the party and all progressives with a terrific weapon in the fight against the 'Saviours of Capitalism'.

An example of the Right-wing attitude is the case of Dr. Burton who is a member of the Federal parliament and who was in the Ministry of Exterior (Foreign Office) in the last Labour government. Dr. Burton went with a Peace delegation to the Pacific Peace Conference preliminaries held in Peking. While there he made a speech in which he spoke highly of the great reconstruction going on and the desire of the Chinese leaders for Peace and friendship. He also declared that he had seen sufficient evidence of 'germ-warfare' to warrant an independent investigation. What a howl went up in the press! Right-wing labour leaders went raving mad. Well I don't have to go any further with that. We've had the same here with the Dean. Dr. Burton is threatened with expulsion from the Labour Party. Before I left several important organisations had come out against his expulsion. I have just received a letter from my good comrade Claud Jones (Sydney) from which I quote:

The Doctor who went to Peking has certainly caused a stir in this country and a fairly widespread movement is developing in the Labour Party in support of the stand he has taken. To date the party has withdrawn his endorsement for the electorate that he was to stand for, but have taken no further action because of the continued growing of a movement in his support.

Corrupt as is the leadership of the Australian Labour Party, there are, as is the case here, many honest, hardworking socialists in it.

On May Day Sunday we had a great May Day March in Sydney. Up until a few years ago, the Labour Party got the permit and banned the communists from participating. Year by year it faded away until latterly nothing was left. The Communist Party and the progressive organisations then took over and each year since it has grown in size. This year was the biggest ever. The slogans, the colour and the tableaux were magnificent. Jim Healey's wife (Jim is the Wharfies' leader) 'shone' as the 'Lady of the Lamp'. In Sydney because of the lack of power, there is a 'black-out' three times a day. It is a terrible nuisance for the housewife. So there was Comrade Mrs. Healey with her lamp and a group of women behind her carrying candles. Every housewife has to have candles ready, so this tableau was thoroughly appreciated by the mass of onlookers.

These great events—the Referendum, the Youth Festival and the May Day demonstrations are evidence of an extensive Left movement in Australia. Menzies, like Churchill, is completely discredited, the corrupt labour leaders not much better. There is a great future for the progressive and peace movement in Australia.

POSTSCRIPT

There are two special problems in Australia, each of which would require separate treatment—the Aborigines and the migrants. As in the United States, there has been an attempt to exterminate the Aborigines and at present they are in reservations living under appalling conditions. In recent years a strong movement has developed for saving the Aborigines and aboriginal culture. The Aborigines themselves are taking part in this.

The British migrants (like others) are also in reservations or camps. In Melbourne, Yallourn and Sydney I was approached by representative campers with the request that I raise the matter back home. The accommodation provided for them is shocking. I have written to the Secretary of State for the Dominions and I have proposed that all further emigration be stopped till suitable homes can be provided.

NATIONALISATION OF LAND

K A R L M A R X

[The origin of this paper is told in Marx's letter to Engels of 4th December, 1869. The trade union leader Robert Applegarth had been asked by 'an eminent member of the House of Commons', on behalf of Lord Leachfield, whether he had voted (at the Basle Congress of the First International) for 'the abolition of all private property.' Applegarth, at a meeting of the General Council of the International, asked Marx to help him with the answer. Marx wrote him out eight pages 'on landed property and the necessity of its abolition.'

The whole paper was lost, but a draft written by Marx originally in English was found and first published in Russian in 1936, and the original was subsequently printed by the Marx-Engels-Lenin Institute in a slim volume, called 'Marx-Engels-Lenin-Stalin Facsimiles, Moscow, 1939.' Owing to the war, it seems that no copies reached this country. Only recently did we obtain a copy, and we print it for the first time in this country.—Ed., L.M.]

THE property in the soil—that original source of all wealth, has become the great problem upon the solution of which depends the future of the working class.

While not intending to discuss here all the arguments put forward by the advocates of private property in land—jurists, philosophers, and political economists—we shall only state firstly that they disguise the original fact of conquest under the cloak of 'Natural Right'. If conquest constituted a natural right on the part of the few, the many have only to gather sufficient strength in order to acquire the natural right of reconquering what has been taken from them. In the progress of history the conquerors attempt to give a sort of social sanction to their original title derived from brute force, through the instrumentality of laws imposed by themselves. At last comes the philosopher who declares those laws to imply the universal consent of society. If indeed private property in land is based upon such an universal consent it evidently becomes extinct from the moment the majority of a society dissent from warranting it. However, leaving aside the so-called 'rights' of property, we affirm that the economical development of society, the increase and concentration of people, the necessity to agriculture of collective and organised labour as well as of machinery and similar contrivances, render

the nationalisation of land a 'Social Necessity', against which no amount of talk about the rights of property will avail.

Changes dictated by social necessity are sure to work their way, sooner or later, because the imperative wants of society must be satisfied, and legislation will always be forced to adapt itself to them.

What we require is a daily increasing production whose exigencies cannot be met by allowing a few individuals to regulate it according to their whims and private interests or to ignorantly exhaust the powers of the soil. All modern methods such as irrigation, drainage, steam-ploughing, chemical treatment, etc., ought to be applied to agriculture at last. But the scientific knowledge we possess, and the technical means of agriculture we command, such as machinery, etc., never can be successfully applied, but by cultivating the land on a large scale. Cultivation on a large scale—even under its present capitalist form that degrades the producer himself to a mere beast of burden—has to show results so much superior to the small and piecemeal cultivation—, would it then not, if applied on national dimensions, be sure to give an immense impulse to production? The ever-growing wants of the people on the one side, the ever-increasing price of agricultural produce on the other, afford the irrefutable proof that the nationalisation of land has become a 'social necessity'. The diminution of agricultural produce springing from individual abuse ceases to be possible as soon as cultivation is carried on under the control, at the cost, and for the benefit of the nation.

* * *

France has often been alluded to, but with its *peasantry proprietorship* it is farther off the nationalisation of land than England with its landlordism. In France, it is true, the soil is accessible to all who can buy it, but this very facility has brought about the division of land into small plots cultivated by men with small means and mainly thrown on the resources of the bodily labour both of themselves and their families. This form of landed property and the piecemeal cultivation necessitated by it, does not only exclude all appliance of modern agricultural improvements, but simultaneously converts the tiller himself into the most decided enemy of all social progress, and above all, of the nationalisation of the land. Enchained to the soil upon which he has to spend all his vital energies in order to get a relatively small return, bound to give away the greater part of his produce to the

state, in the form of taxes, to the law tribe, in the form of judiciary costs and to the usurer, in the form of interest; utterly ignorant of the social movement outside his petty field of action; he still clings with frantic fondness to his spot of soil and his merely nominal proprietorship in the same. In this way the French peasant has been thrown into a most fatal antagonism to the industrial working class. Peasantry proprietorship being thus the greatest obstacle to the 'nationalisation of land', France, in its present state, is certainly not the place where we must look for a solution of this great problem. To nationalise the land and let it out in small plots to individuals or workingmen's societies, would, under a middle-class government, only bring about a reckless competition amongst them, and cause a certain increase of 'Rent', and thus lend new facilities to the appropriators for feeding upon the producers.

At the International Congress of Brussels, in 1868, one of my friends said: 'Small private property is doomed by the verdict of science; great private property by justice. There remains then but one alternative. The soil must become the property of rural associations, or the property of the whole nation. The future will decide the question'.

I say on the contrary: 'The future will decide that the land cannot be owned but nationally. To give up the soil to the hands of associated rural labourers, would be to surrender all society to one exclusive class of producers. The nationalisation of land will work a complete change in the relations between labour and capital and finally do away altogether with capitalist production, whether industrial or rural. Only then the class distinctions and privileges will disappear together with the economical basis from which they originate and society will be transformed into an association of "producers". To live upon other people's labour will become a thing of the past. There will no longer exist a government nor a State distinct from Society itself'. Agriculture, mining, manufacture, in one word all branches of production will gradually be organised in the most effective form. *National centralisation of the means of production* will become the natural basis of a society composed of associations of free and equal producers consciously acting upon a common and rational plan. Such is the goal to which the great economic movement of the 19th century is tending.

THE COUP D'ETAT IN EGYPT

ON July 23, 1952, the Egyptian army led by General Neguib seized power in Cairo. The same day, the Hilaly Cabinet resigned and Ali Maher, appointed by Neguib, became Prime Minister. On July 26, only four days later, King Farouk abdicated and left the country.

This coup d'etat came as the result of ten months of political agitation and confusion since October 8, 1951, when the Wafdist Government denounced the Anglo-Egyptian Treaty of 1936. It can only be correctly assessed against the background of a whole series of crises since the end of the war, all connected with the efforts of Egyptian reaction to hold down the mounting national liberation movement and to impose on the Egyptian people a new alliance with the imperialist Powers.

The Egyptian liberation movement has become an integral part of the world movement for peace and democracy. By its struggle it has so far prevented the imperialist camp from realising their plans of building the Middle East as a strong war base. It forced the Egyptian Government to adopt a neutral attitude towards the Korean war. During 1951, it scored a significant success when it compelled the Wafd right wing leaders to denounce the 1936 Treaty. The intensified struggle that followed was waged on two fronts; on the Suez Canal Zone against the army of occupation, and on the home front for the democratic rights of the people. The setback of January, 1952, could only be temporary: the demands for the evacuation of the troops and for better conditions of life are too vital to be stifled for long.

The balance-sheet of seventy years of imperialist domination in Egypt—direct and indirect—is the most damnable indictment of any régime in modern times. It can be best summed up in a few figures.

On the agricultural side, less than half per cent of the landowners own more than 40 per cent of all cultivated lands, while three per cent of the cultivated land is shared between 72 per cent of the landowners, about two million owners of less than one acre each. These with their families represent almost half the population of Egypt (20 million). The fierce land hunger of the poor peasants enables the big landlords to extort from them extremely high rents; and no other outlet is open to the fellah, because of the lack of development of industry. The standard of life of the industrial workers, although it is higher than

that of the fellaheen, is still one of degrading poverty. The World Economic Report of the Department of Economic Affairs of the United Nations (1949-50) puts the average wage of the industrial worker in Egypt in 1947 at 133 piastres or just under 27s. a week.

Since the second world war, American penetration in Egypt has imposed further burdens on the backs of the people. Since May 5, 1951, when Truman's Point Four Programme was applied to Egypt, millions of dollars were poured out on the building of new military bases and for the corruption of politicians. As a proof of their goodwill, the latter increased Egypt's military budget, which last year represented 27 per cent of the total expenditure. The Korean war and the preparation for a new world war were a boon to the landlords, the cotton exporters and their parasites; the demand for cotton increased for rearmament and for stockpiling, and the price of cotton rocketed sky high. For the people, it meant increased taxation and a further steep rise in the cost of living. The latter reached new records: 322 per cent in June, 1951, 350 per cent in July, 1952, as compared with 1939. As for the British exploiters, however reluctant to allow a powerful competitor to encroach on their sanctum, they considered here as in every other field that they had to give priority to the needs of rearmament and war preparations.

The only valid criterion by which to judge a new régime in a country like Egypt is the degree to which it helps or hampers progress towards national liberation and democracy. The two sides of the struggle—against foreign imperialism and for internal democracy—are indissolubly linked, as the Egyptian people made clear in recent months.

It is not the leading civilian personalities of the new régime who present any hopeful picture for the people. Of the Regents, Prince Abdul Moreim is outstanding as a patron of sport. Bahi ul Din Barakat (appropriately described in a *Times* editorial on August 12 as one of 'the last types of independent and disinterested men of affairs') publicly opposed the Wafd's denunciation of the 1936 Treaty. Colonel Mehanna, an artillery officer, is of course only a representative of Neguib. Nor is the figure of Ali Maher, the new Prime Minister, in the least reassuring. He has spent the best part of his life in the service of reaction. A Wafdist at the beginning of his career, he withdrew at an early stage to ally himself to the Palace, became Farouk's tutor, then his Chief of Cabinet, then his Prime Minister in 1939. Compelled to resign in 1940 on account of his open sympathy with the

Nazis, he was even placed under house arrest from 1942 to 1944. In 1945, he founded the National Front, a bloc of reactionary parties supporting the Prime Minister Sidky in his projected treaty of alliance with Britain. The bloc actually took an active part in the Sidky-Bevin negotiations of 1946, but disbanded after Sidky's failure to impose his draft treaty on the Egyptian people. Since then, Ali Maher has been described as pro-American.

What, then, of those who brought about the new régime—General Neguib and his military associates? Some of their actions show that they realise the overmastering importance of the Egyptian people's hatred of the dominant landowning class and of the régime it upheld for so long. The forced abdication of the King, the abolition of the titles of Pasha and Bey, the ending of the censorship and the reported dissolution of the political police who were the chosen instrument of Farouk's autocracy—all these were measures, not entirely symbolic, to show that the old régime was ended. To these succeeded the announcement* (August 11) of new parliamentary elections next February—an anti-Wafd move—the introduction (August 12) of a progressive income tax, the promise of lower indirect taxes, especially on mass consumer goods like tobacco, and the abolition of class privilege in sugar rationing. More significant was the announcement of a draft decree on land reform, under which no one is to hold more than 200 acres, the Government purchasing all the surplus at a pre-war valuation (half the present price of land) and reselling 'on favourable terms' to landless and poor peasants. This measure, even if carried through, would not be comparable to the agrarian reforms in the People's Democracies: the vast majority of the peasants are far too poor to buy land, and the real beneficiaries would be the small class of village capitalists—and land speculators skilful enough to conceal their operations.

Nevertheless, the very fact that the scheme was advanced reveals to the rebellious peasant that a far-reaching land reform is now a major political issue: and the less material benefit Neguib's scheme brings to the peasantry in practice, the more they will look for other ways to get what they want. In this they will find support in the working class, for whose interests Neguib from the very first days showed himself concerned least of all—as was to be expected from the obvious desire, illustrated just

* Whether this will be carried out is yet to be seen.

now, to sweep away the survivals of feudalism only in order to hasten the unfettered development of capitalism in Egypt. His declared intention of abolishing martial law was not carried out. While doing away with Farouk's political police, the new régime set up a Bureau to combat 'communists and crypto-communists'. As early as July 28, *The Times* was registering with satisfaction that demonstrations were forbidden. No relaxation of the old terror against the working class and its political parties was announced; and the revolt of the Alexandria textile workers against their inhuman conditions (August 13) was met with arrests and a public threat of trial for high treason, addressed to the trade unions by the general himself. Although pressing the bourgeois political parties to 'purge' themselves of the thieves and corrupt elements who have brought Egypt to ruin, Neguib never used such threats against the rich. A genuine democratic overhauling of Egyptian public life is impossible without full freedom for the industrial workers to organise, economically and politically: and of such freedom there is not even a beginning.

Moreover, there were very soon unmistakable signs that, preparing by repressions to set a limit to the changes insisted on by the working people, Neguib is in equal measure showing readiness to turn to the worst enemies of Egypt—the foreign imperialist Powers. During the days of the coup d'état the American Ambassador knew in advance of the demand for Farouk's abdication (*Daily Telegraph* Washington Correspondent, July 28), was 'very active' on the day of abdication, and was the channel selected by Neguib to warn the British government of any armed intervention. Other actions of the new régime in respect to foreign interests are no less significant. One of the first was the modification of the 1947 Law on Companies, by which at least 51 per cent of the capital of any Egyptian Company must be Egyptian. Maher's amendment allows foreign investors to own 51 instead of 49 per cent which, in the words of the *New York Herald Tribune* of August 1, is 'likely . . . to bring back into the country American oil companies which had pulled out after enactment of the 49 per cent law'. Another decree facilitates the export of capital: in other words, it allows foreign capitalists to take out of the country the riches they will be able to accumulate by exploiting Egyptian workers.

The rising intensity of Neguib's attacks on the Wafd—the largest political party by far—with the implied corollary of a

more open turn to the mechanism of dictatorship (like the setting up on August 12 of a committee of officers and civil servants to 'co-ordinate government policy'), has aroused the greatest interest in Whitehall and Fleet Street. The Tories have long feared and hated the Wafd—and not because of the corruption of its leaders! Originally the party of a progressive liberal bourgeoisie, the Wafd has been dominated in recent years by its reactionary right wing which has proved ready to compromise with reaction and imperialism in spite of its adoption of the popular demand for evacuation of the British troops. However, it is symptomatic that, alone among all official parties, the Wafd has again made it clear that it is opposed to the projected Middle-East Defence Pact and to negotiations with Anglo-American imperialism; whereas, as *The Times* wrote on August 2, 'the present Prime Minister has never concealed that he is in favour, in principle, of co-operative defence in the Middle East'. Having to rely for its existence on the support of the masses, the Wafd Party is, at the moment, most susceptible to popular demands. Moreover, it includes a left wing of progressive petty-bourgeoisie and intellectuals, whose interests are closely linked with those of the working class and the peasantry in the liberation movement. It is hardly surprising, therefore, to see the malignant joy with which the correspondents of the British capitalist press record every 'snub' and 'rebuff' to the Wafd.

The other political organisation pushing itself to the fore is the reactionary Moslem Brotherhood, utilised in the past by the Palace clique, and now lending full-hearted support to the Neguib-Maher régime. 'Members of the Brotherhood are widely believed here to have been the real instigators of the recent coup', wrote the Cairo correspondent of the *Sunday Times* on August 2. In fact, Ali Maher is known to have been in close touch with them for a long time. The leaders of this politico-religious organisation hide their fear of the democratic movement behind high-sounding demagogical demands for the evacuation of the British troops and for social reforms. The leaders of the Moslem Brotherhood are notorious for their fanatical communalism, for their past intrigues with the Palace and reaction, and for their capacity to launch diversionist slogans at the appropriate moment to spread confusion. At the height of the campaign for peace in Egypt in the last two years, they came out with the disruptive slogans of 'No peace until after the Jihad' (i.e., the sacred war against Israel).

and 'No peace to the Communists'. Their confusionism is especially dangerous because of the absence in Egypt of a party of the working class, with clear and uncompromising democratic principles.

It is understandable that, in the light of these broad trends, hopes are rising in the Tory camp. As early as July 28, the *Daily Telegraph* was declaring that 'a clear military coup on the Syrian pattern'—i.e. on that of the terrorist military dictator Shishakly—might prove 'the best thing that could happen for Egypt', and on August 12 Lord Kinross, a former diplomat in Cairo, was explaining that Arab countries were particularly well suited for 'an enlightened and realist dictator'—who, the *Telegraph* was hoping next day, would provide 'as vigorous a lead in foreign policy as he has given in home affairs'. What form might that lead take? He will 'no doubt study carefully suggestions that may be circulated to Egypt, as to other interested countries, for planning Middle Eastern defence', thinks *The Times* (August 12). Ali Maher knows, it says, that foreign help is essential for economic recovery and for strengthening and re-equipping the army. It is possible that he and Neguib might 'eventually' consider separate treatment of the questions of the Suez Canal zone and unity of the Nile valley (i.e. of Egypt and the Sudan). Could the offer be made more delicately, unobtrusively and yet unmistakably? Give up the Sudan, join a revised 'Middle East Defence Pact'—and in exchange get military and economic aid, with evacuation of British forces from the Canal Zone thrown in. Doubtless it is a pure coincidence that this is precisely the scheme proposed by the *New Statesman and Nation* (August 9) as though it were the author—telling Eden that, on such terms, he has the first real chance since 1946 of an agreement with Egypt, 'a settlement which will enable it (the Egyptian army) to be trained and equipped by the British and financed by the Americans'.

A delightful prospect indeed; but will the Egyptian people march so easily? Is it so certain that—as the *New Statesman* so confidently asserts—the Moslem Brotherhood and the Army leaders have really captured 'the leadership of the popular movement for national liberation and social reform'? It was because British Imperialism had so long made Egypt a tool for its war plans that the national liberation movement of the people forced the repudiation of the Bevin treaty in 1946 and, five years later, of the Anglo-Egyptian treaty of 1936. It is hardly probable that the

Egyptian people supported the overthrow of Farouk in order that Neguib should sell them a new version of old Juggernaut, disguised as a 'Middle East Defence Command'. Again, the peasants and workers supported Neguib because he seemed to promise social reforms for them—not merely for investors, Egyptian and foreign, and for peasants rich enough to buy 200 acres of land in 30 annual instalments plus 3½ per cent. As *The Times* leading article, already quoted, cautiously says: 'No one can be sure how the new régime will develop'.

One thing is certain: that the Egyptian people, whose fight for national liberation and democracy has brought the affairs of the ruling class to their biggest crisis since the British occupation of the country in 1882, will be looking for support to the British working class in its fight to take full advantage of that crisis. Several resolutions on the Labour Party Conference agenda demand the withdrawal of British troops from Egypt: but that now is not enough. Without British assistance the Americans cannot get their Middle East base for war against Russia: and if there is no Middle East base, the new rulers of Egypt will be unable to withstand the mounting demand of their people for real democracy and real independence. On this issue British Labour has a unique opportunity to weaken the forces of war and greatly strengthen the cause of world peace.

R.R.B.

THE MAN WHO WAS HAUNTED BY MARX

R. L. MEEK

THE author of these essays,* J. A. Schumpeter (1883-1950) was an Austrian economist who spent his last 20 years as a professor at Harvard University. His reputation among English-speaking economists was largely based on two books—his famous *Theory of Economic Development*, and an enormous two-volume work on *Business Cycles*. He was also known to a wider public as the author of a sociological work entitled *Capitalism, Socialism, and Democracy*; and two of his early articles on *Imperialism and Social Classes* have recently been translated into English.

**Ten Great Economists: From Marx to Keynes*, by Joseph A. Schumpeter (305 pp.; Allen & Unwin, 21/-).

Seven out of the 10 essays in the volume under review were written on the occasion of the death of the economist concerned. Obituary articles are traditionally notorious for their lack of objectivity, and Schumpeter (except in the case of Keynes) does not seriously depart from this tradition. The result is that these articles are interesting rather for what they tell us about Schumpeter's own theoretical system than for what they tell us about the deceased economists. The most important of the remaining essays, that on Marx, is reprinted from *Capitalism, Socialism, and Democracy*. Although Schumpeter is severely critical of many aspects of Marx's system and grudging in his praise of those aspects which he admires, it is obvious that he was profoundly influenced by Marx. Perhaps 'haunted' is a better word than 'influenced', for Schumpeter was very far from being a Marxist. He was, indeed, as his widow remarks in her preface to *Ten Great Economists*, an 'ardent exponent of capitalism'. But the shadow of Marx's great structure had clearly fallen across almost everything Schumpeter wrote.

Schumpeter correctly understood, as he put it in his essay on Böhm-Bawerk, that 'nearly all of our insight into, and our whole attitude towards, the nature and meaning of capitalism depend on our view of the meaning and function of interest and profit' (p. 147). He understood, too, that 'the fundamental explanatory principle of any system of economics is always a theory of value' (p. 151). But unfortunately he himself accepted the marginal utility theory of value, which looks to the subjective valuations of individual consumers, rather than to the social relations between producers, for the explanation of value. It was with the elaboration and refinement of this theory that several of the *Ten Great Economists*—notably Walras, Menger, Pareto and Böhm-Bawerk—chiefly concerned themselves. If we start off with this theory of value, and abstract from the social relations of production, it is only a short step to the familiar conclusion of modern bourgeois economics that in a static and perfectly competitive capitalist system everyone receives no more and no less than he contributes. No one gets anything for nothing. Schumpeter, broadly speaking, accepted this conclusion. To Schumpeter, therefore, capitalism *in its essence* did not appear to involve the production and appropriation of surplus value.

But Schumpeter, unlike most of his contemporaries, had learned something from Marx. He had learned, first, that in the real

world of capitalism (as distinct from the world of pure theory) surplus value is in fact produced and appropriated. And he had learned, second, that capitalism is not static, but subject to development. Economics, then ought to explain both the origin of profit and the laws of capitalist development. Schumpeter killed both these birds with one stone. He erected, on the basis of the orthodox static theory, a sort of dynamic superstructure, explaining capitalist development in terms of the activities of leading businessmen who periodically introduced 'innovations' of various kinds. These enterprising businessmen received profits as a reward for their efforts—but only so long as the new methods were not generally adopted. Surplus value, according to this account, was a product only of the *development* of capitalism, and not of capitalism *as such*. A short sketch of this theory is given in the essay on Marx, and it is there made quite clear that Schumpeter regarded it as an *alternative* to Marx's theory of surplus value.

Schumpeter realised, of course, that his economic theory covered only a small part of Marx's ground, and he accordingly ventured on occasions into the wider realm of sociology. But his work in this field suffered from the same basic defect as his economic work—a refusal to admit that capitalism *as such* was based on exploitation and was therefore involved in a fundamental contradiction. For example, Schumpeter agreed with Marx that capitalism was destined eventually to give way to socialism. But Schumpeter's reasons were very different from Marx's. According to Schumpeter, capitalism if left to itself could go on for ever. Its impending downfall was due mainly to the generation of certain political and social attitudes of an 'anti-capitalist' character which resulted in the interference by the State with the free working of the capitalist system. Then again, Schumpeter (at least in his earlier years) explained imperialism in terms of a survival of ancient warlike attitudes among ruling élites. Imperialism, he argued, 'would never have been evolved by the "inner logic" of capitalism itself', since 'capitalism is by nature anti-imperialist'. These conclusions, which are virtually the exact opposite of those generally accepted by Marxists, show how dangerous it is to try to do Marx's job while rejecting his most important tools—his theory of value and surplus value.

The tendencies I have been describing appear very clearly in the essays on Keynes in the volume under review. Schumpeter

makes two main criticisms of Keynes. First, he criticises him for deliberately excluding from consideration '*all the phenomena incident to the creation and change in the industrial apparatus, that is to say, the phenomena that dominate the capitalist processes*'. Here speaks the Schumpeter who had learned from Marx that the main task of political economy was to work out the 'law of motion' of capitalist society. Second, he complained that in Keynes's theory (as in Marx's) the 'breakdown' of capitalism 'is motivated by causes inherent to the working of the economic engine, not by the action of factors external to it' (pp. 283-4). Here speaks the Schumpeter who believed that capitalism as such was not involved in any sort of basic economic contradiction.

Schumpeter was not a 'bourgeois' economist in the sense in which Marx sometimes used the word—he did not 'regard the capitalist system as the absolute and final form of social production'. It is very difficult for an economist to be bourgeois in this sense at the present stage of the general crisis of capitalism. But if a bourgeois economist today is defined as one whose fundamental theory denies or obscures the exploitive basis of capitalism, then Schumpeter clearly qualified. Schumpeter was a bourgeois economist—but he was also haunted by the greatness of Marx. And that is the main reason why so much of his work stands apart from and above that of many of his bourgeois contemporaries.

Book Reviews

DOWN UNDER

Power Without Glory, by Frank Hardy. (672 pp. Realist Printing and Publishing Co., Melbourne; Collet's, London. 9s. 6d.)

ON our way to Australia I had the opportunity of reading Frank Hardy's book, *Power Without Glory*. It represents a great job, well done. It is a story of graft and corruption in the labour movement of Australia, that could only be surpassed in the land of gangsters and rackets—in the United States. It is not a pretty story. The author isn't writing of imaginary characters, carrying on imaginary conversations, which he can present with the

light and shade of his own imagining. He is dealing with actual people, most of them utterly repulsive and all of them known to most of his readers in Australia.

'John West', bookmaker and gangster and his particular colleague, 'Archbishop Malone', are still alive and though grown old in years, still play a sinister part in the labour movement of Australia. 'Percy Lambert', whom I met in Melbourne, was a close associate of Tom Mann in the founding of the Socialist movement in Victoria and from his long experience was able to give the author much assistance in the collection of material for his great exposé. 'Percy', too, has grown in years, but so also has his

faith in the great cause of Socialism. He is one of those, like Tom Mann, that 'John West' couldn't buy, couldn't corrupt. While in Australia I was introduced to another old-timer, Ernie Lane. He has written a somewhat subjective book of memoirs, in which he refers to his many battles with 'Red Ted' Theodore ('Red Ted Thurgood' in Hardy's book) and the unscrupulous methods he used to gain his ends. 'Red Ted' (Red from his hair, not his politics) was Labour Premier in Queensland for long enough to retire a millionaire. 'Red Ted' set an example for all too many of the others until it has become generally accepted that labour leaders will 'feather their nests' and then walk out of the labour movement. But the book deals not only with financial corruption but with the part played by reactionary Catholics, under the direction of 'Archbishop Malone', and financed by 'John West' and others of his like, to distort the character of the working class movement and keep it safe for capitalism. This influence is very strong in the Australian Labour Party. For a time it was expressed through an open Catholic organisation, but as this was creating difficulties a disguise had to be found, so it now takes the form of 'Labour Industrial Groups'. These groups, strongly supported by the arbitration laws and the State machines, are at work in the unions for the purpose of displacing 'left' trade union leaders and getting 'safe' men in control.

The Communist Party and its progressive allies have a big job on their hands in Australia to rescue the trade union and labour movement from this combination of corruption and clericalism, and Frank Hardy's book provides them

with a powerful weapon in their fight. It is not a book for dilettantes who are interested in style, or a consistent level of writing. It is a very long book, packed with valuable material for those who are actually in the battle. In a book of such length it would take an actual genius, to keep to a consistent high level. Frank Hardy makes no claims to be a genius, but he has written a book of the greatest value for all who are interested in the great cause of socialism. There are rotten characters in it, all of them concerned with exploiting or destroying the working class movement. We are not without such characters here, though not so openly corrupt. Read this book, *Power Without Glory*, and as you read consider some of our labour leaders in this country and draw the necessary conclusions. When I said to some of my friends in Australia, 'But how could Theodore get away with it?' the retort generally was, 'How come the workers of Britain tolerate labour lords?' That's something to think about.

W. GALLACHER.

EDUCATION EPIC

The Road To Life, by A. S. Makarenko. (1,182 pp. 3 vols. Foreign Languages Publishing House, Moscow; Collet's, London. 12s. 6d.)

THIS is a wonderful book; it is the true story of the building up of a collection of waifs, bandits, thieves and prostitutes into a self-disciplined community, and it is more exciting than any novel. The story begins in 1920 when the Soviet Government was surrounded by enemies and guerilla warfare was still raging in the Ukraine. Production and distribution were in such a chaotic condition that the local Department of Public Education

could not even supply its Children's Homes with food and blankets. But Makarenko's greatest difficulty was the ingrained lawlessness of the first group of boys sent to him, and he soon realised that he would have to establish his authority by force. But when he had gained their respect by the courage with which he stood up to them (for they were much stronger than he was) he discovered that even his ex-bandits and thieves were, as they put it, 'not such bad chaps'; he refused to interest himself in their past crimes, with such success that they soon forgot them themselves and began to look only to the future. He trusted them, gave them responsibility, encouraged their initiative and worked with them to build up a collective spirit.

It wasn't easy, for Makarenko worked on a trial-and-error method and the whole colony learnt by its own mistakes; but gradually the method worked. A curious and complicated form of self-government worked itself out, detachments were formed with commanders who were implicitly obeyed—largely because the discipline was seen by all to be necessary.

Makarenko was a very human person; his colonists could see for themselves that hard work was necessary to improve their conditions, but he taught them the joy of comradeship in work. They had a lot of fun together and even the greatest drudgery was got through with the merriest jokes and laughter. Then there was the excitement of getting around insuperable difficulties, of obtaining horses, machinery, building materials by slipping through unexpected loop-holes—sometimes by tricks the sheer audacity of which overwhelmed the

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District authorities and dissolved their indignation in laughter.

His experience taught Makarenko that: 'Man must have something joyful ahead of him to live for. The true stimulus in life is the morrow's joy'. Such a perspective 'keeps the collective in a buoyant, joyous mood, holds a clear-cut purpose before the children, strengthens their confidence in their powers and spurs them on to strive for ever greater achievements. His job, as he saw it, was to widen the perspectives of the colonists to the point where they became the perspectives of the Soviet Union itself. In this he achieved a brilliant success, as the later history of his colonists proved. To discover just how it was done I advise everyone to read this fascinating book.

JOAN B. THOMPSON.

SHORTER NOTICES

The Soviet Union Today, by S. M. Manton, F.R.S. (132 pp. Lawrence & Wishart. 5s.)

Conference Sketchbook, by Joan Robinson. (28 pp. Heffer & Sons. 2s. 6d.)

By way of prelude to her amusing and enlightening little collection of pithy paragraphs on the International Economic Conference in Moscow, Mrs. Joan Robinson—a well-known Cambridge non-Marxian economist—gives a little dialogue between two British delegates. No 1: 'I am sure you agree with me on the importance of telling the exact truth about all we have seen here'. No 2: 'That's all very well, but I don't want to have people at home saying that I am a communist'.

You might think this a joke; but anyone who takes the trouble to read the furious and unrestrained abuse with which the *Daily Tele-*

graph and Morning Post, and its readers, met Dr. Manton's plain tale of what she and her colleagues saw in the U.S.S.R. (last week in July and first week in August) will see that it is more like tragedy. These creatures foam at the mouth when they read a scientist's impressions of Moscow, of University and family life, of Soviet social services, of Stalingrad and Central Asia which blow sky-high the fantastic stories of deserters, traitors and foreign spies about the U.S.S.R. on which they gloat. Dr. Manton's book has done a good service to the cause of peace, and contains a mass of valuable information for those campaigning for better Anglo-Soviet relations. Mrs. Robinson's vivid sketches are guaranteed to shake the most stolid middle-class families into questions and discussion. A.R.

* * *

East Of Stettin-Trieste, by Rev. Stanley Evans. (84 pp. Fore Publications. 5s.)

THESE travel jottings of visits to Poland, Czechoslovakia, Rumania, Hungary and the German Democratic Republic convey something of their rich history, of the agony of Nazi invasion and occupation, and the brightness and optimism of the emergent societies of the common people. Churchmen will be particularly interested in the author's accounts of the relation between church and state; of clergy and people; and of the Vatican, the People's Governments and the churches. Written in 1946, the brief opening article is a reminder of the fearful wartime devastation suffered by the Soviet Union; the whole a valuable reply to prevalent 'false witness'.

B.M.B.

FROM THE LABOUR MONTHLY OF 25 YEARS AGO

THE ATTACK ON CHINA

The new period into which we have now entered opened with the armed offensive against China. The diplomatic break with Russia immediately followed, and, with the evidence of the daily fomentation of the war atmosphere, it has been shown that this cannot be regarded as anything other than the prelude to new hostilities. It is true that even before the events of this year it would have been absurd to talk of a reign of world peace. Apart from diplomatic intrigue and manœuvring and preparation for war, there have been plenty of examples of small-scale wars since the Treaty of Versailles was drawn up. But the war with China is of a special type and with a special significance. It is a war conducted by the big imperialist powers, by direct and indirect means, against the greatest area and greatest population of Asia. Further, unlike the preceding small wars, it is not a war between two bourgeois powers, but a real class war waged by the forces of world imperialism, headed by British imperialism, against a national revolutionary movement which is the immediate ally of the international working class. If the attack on the Chinese revolution had been prevented it would have meant, not only a check to the immediate attack of capitalism at home, but also the gaining of a new ally for the working class of the utmost significance for the future development of the whole of Asia, and for the struggle with capitalism throughout the world. The unimpeded progress of the capitalist attack in China means the desertion of this ally, and leaves the way open for more thorough-going reaction at home, and for a further development of the capitalist offensive abroad. Thus, the attack on China is seen to be the key to the new period of war.

From *War Preparation and the T.U.C.*, by Clemens Dutt, September, 1927.

PUBLICATIONS RECEIVED

BOOKS

- An Introduction to the English Novel. Arnold Kettle. Hutchinson. 200 pp. 8s. 6d.
The Beginnings of English Society. Dorothy Whitelock. Pelican Book. 265 pp. 2s. 6d.
The Bolshevik Revolution. E. H. Carr. Macmillan. 400 pp. 30s.
England in the Late Middle Ages. A. R. Myers. Pelican Books. 264 pp. 3s.
Electricity Supply in Great Britain. H. Self and E. M. Watson. Allen and Unwin. 220 pp. 20s.
Quaker Relief. Roger C. Wilson. Allen and Unwin. 374 pp. 15s.

PAMPHLETS

- Frederick Engels in Manchester. Mick Jenkins. Lancs. and Cheshire Communist Party. 24 pp. 6d.
We Saw Czechoslovakia in 1951. Travellers Delegation. 16 pp. 6d.
The Electric Lamp Ring. Labour Research Department. 8 pp. 6d.
Tory Attack on the Schools. Labour Research Department. 8 pp. 4d.
An American Prophet Speaks. by Col. Raymond Robins. Foreword by Cedric Belfrage. National Guardian, 17, Murray Street, New York 7. 24 pp. 10c.
Youth Against Franco. Aid to Spanish Youth Committee. 8 pp. 4d.

THE ACCUSED

R E W I A L L E Y

With all those bombs
Bought by gangsters
Paid for by working people
Dropped by able, well set up young men
Jokingly,

come

Statistics of results
easily remembered

Forty-five per cent women

Thirty- three per cent children
who could not

Hit back; who held no guns
in their hands

Who wanted only peace
to live and work.

who is most guilty?

think over it!

who permitted it?

who is cashing in on it?

think hard

think fast . . . you

the accused.

Kids in schools

Women washing clothes by streams

Old ladies standing by their homes

Peasant children minding animals,

Would that we could take all their pitiful corpses

Pile them up high against the doors of UNO

Line the corridors of White House with them

So that their very stench would bring understanding,

Fill every treacherous Wall Street office with them

pile them in elevators

in penthouse gardens

in luxurious bathrooms

in swanky cars

Torn, ripped bodies

That loved and toiled

Were blasted and soiled

by you

The Accused.

Rewi Alley, of New Zealand, whose poem appears above, is widely known as a pioneer co-operative worker in China.

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and Yankee bombers. Yes, our Transatlantic readers may note that there is another Battle for Britain on, and in the words of the poet :

*There will be quite a large attendance
When WE declare our independence.*

And what a stimulus that will be for the American people to declare theirs, once and for all!

POPULAR NUMBERS

In the light of this stirring issue, it is no surprise to see the continuing demand for numbers of *L.M.* dealing with these issues, especially in Labour Party circles. I am struck by how often we are being asked to provide specimen copies for prospective new readers of the June number (*The International Economic Conference: Atomic Strategy and the Admiralty*, etc.) and the July number (*Trade Unions and Rearmament: The Crime at Bonn*, etc.) While there is not a single number of 1952 for which we are not being asked in connection with the Specimen Copy Scheme (see back cover), these two are the most popular. So much so, in fact, that I would appeal to readers who are making use of the scheme and ask for any particular issue to be sent to their friends to give us a second choice, in case our stock of that should be low.

The fund total for July picked up; several regulars who missed the bus the month before are well inside today. But a few big sums account for a large proportion and I should like to see more newcomers. I turned up our 1940 donations lists, and found there no less than four names which appear in our list below, the total of which is

£60 9s. 6d.

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Our thanks to you all.

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